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From: Bloomberg BNA
Sent: Thur 11/10/2016 9:27:44 PM
Subject: Nov. 10 -- Daily Environment Report - Afternoon Briefing

Daily Environment Report

Afternoon Briefing - Your Preview of Today's News

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Coming Soon to EPA: A Trump Transition Team

Posted November 10, 2016, 01:34 P.M. ET

By Patrick Ambrosio

The Environmental Protection Agency should expect to have a few visitors arriving soon: a small "landing team" that will start work on the transition of power from President Barack Obama to President-elect Donald Trump.

During the campaign, Trump repeatedly pledged to do away with "needless and job-killing" regulations as part of his economic plan, specifically highlighting major Obama-era environmental rules like the Clean Power Plan and the Clean Water Rule. He also pledged to conduct a "targeted review" to identify regulations that inhibit job growth.

The Trump campaign did not respond to a request for comment on when the EPA transition team would arrive and what its role would be.

However, David Eagles, director of the Partnership for Public Service's Center for Presidential Transition, told Bloomberg BNA in an interview conducted prior to Election Day that an agency-specific transition team should be dispatched to the EPA "a few days after the election" to begin its work. The Center for Presidential Transition offered assistance to both the Trump and Clinton campaigns in advance of the election to help them prepare for an orderly transition process.

Transition Being Closely Watched

While Trump was critical of the Obama administration's Climate Action Plan and pledged to lift restrictions on domestic energy production on the campaign trail, he generally offered few specifics on his plans for the EPA beyond that. Trump tapped Myron Ebell, director of the Center for Energy and Environment at the Competitive Enterprise Institute, to lead the EPA transition.

Political observers will be watching the Trump transition closely to gain more insight on his administration's plans once in office, according to Chris Vieson, a partner at Public Strategies

Washington Inc. and former Director of Floor Operations for former House Majority Leader Eric Cantor (R-Va.).

Vieson told Bloomberg BNA Nov. 9 that Trump's policies are still a "wild card" and no one knows quite what to expect.

Focus on What's Ahead

In past transitions, agency-specific teams have been deployed to review government operations and make recommendations for how to best implement the president-elect's policy goals once he took office.

Eagles said the EPA should expect to see a landing team of 12 to 15 people, similar to the number dispatched by Obama in 2008.

In 2008, the goals of that EPA transition team were to review major actions taken under President George W. Bush, examine the agency's budget and learn about all of the rulemaking, guidance and other actions in the regulatory pipeline, according to one source who worked on the Obama transition. The source, interviewed before the election, told Bloomberg BNA that while each transition is "a little bit different," one of the main goals of Obama's agency transition teams was to be prepared for the things that would have to be dealt with soon after the inauguration.

"We wanted to know exactly what was coming down the pike," the source told Bloomberg BNA.

During the last transition, each member of the EPA landing team was responsible for reviewing a different aspect of the agency, and each developed a memo describing what they had learned and offered their ideas, according to the Obama transition official. The transition team was able to conduct interviews with outgoing and career staff at the agency and obtain agency documents to help facilitate the review.

Administration Prepared to Brief Trump Teams

The Obama administration is prepared to brief the Trump transition team with "detailed, agency-specific briefings," according to a fact sheet issued Nov. 10 by the White House.

"Those briefings include organizational charts, budget materials, briefings on key agency priorities and areas of responsibility, and other materials describing the essential functions of that agency," the White House said. "In addition to the initial briefings, designated employees across the administration will work closely with their agency review teams in order to facilitate open communication between the outgoing and incoming administrations."

Trump's EPA transition team will likely receive "massive briefing books" on each of the agency's programs, including air pollution, water, waste and pesticides, according to Jim Aidala, a senior government affairs consultant with Bergeson & Campbell P.C. in Washington D.C. Aidala, who worked at the EPA from 1993 through 2001, including a stint as assistant administrator for EPA's Office of Prevention, Pesticides, and Toxic Substances, told Bloomberg BNA in an interview conducted before the election that those briefing books will need to include updates on pending litigation and decisions that need to be made early in the administration.

Aidala highlighted a number of pending decisions that need to be made under the amended Toxic Substances Control Act (Pub. L. No. 114-182) that was signed into law in 2016. For the new chemicals law, the incoming EPA team will need to be briefed on necessary implementation activities, including prioritization of chemicals for review and new hiring to expand the agency's chemicals program, Aidala said.

Career Staff Cooperation Expected

Aidala, in a follow-up interview conducted Nov. 9, said that there may be some "initial skepticism" between some at the EPA and the Trump transition team. During the primaries, Trump said he'd like to eliminate the agency, but later backed off on that promise and said he planned to refocus the EPA on its "core mission" of focusing on clean air and safe drinking water.

However, Aidala noted many of the mid-level and senior career staff at the EPA have been at the agency long enough that they've seen administrations of both political parties come and go.

"Career staff across the government are professionals," he said. "There is a general duty to tell the leadership what is important and what is not."

Eight years ago, the Obama transition teams generally found the outgoing administration to be "quite helpful" and "very professional," according to the Obama transition source.

"Generally they were very forthcoming and they made it clear to people within the agency that they were expected to cooperate," the source said. "I think the career staff over at the EPA welcomed the opportunity to talk to the transition team....I didn't see the political management of the agency interfering with that."

—With assistance from Rachel Leven

Monsanto Weed Killer Less Prone to Drift Gets Approval

Posted November 10, 2016, 03:11 P.M. ET

By David Schultz

Monsanto has garnered the Environmental Protection Agency's final approval to sell a new weed-killing pesticide containing the chemical dicamba. The approval should prevent a repeat of a chaotic 2016 in which the use of an older version of dicamba sparked widespread conflicts among farmers.

The EPA's approval applies to a product the company is marketing under the brand name XtendiMax. In addition to dicamba, XtendiMax also contains other ingredients that make dicamba less prone to drifting in the wind. The product is designed to be used alongside Monsanto's genetically modified soy and cotton crops.

Those crops received approval from the Department of Agriculture in early 2015. The delay between that approval and the EPA's Nov. 9 approval of XtendiMax created a situation in which farmers planted Monsanto's soy and cotton seeds but could not legally use its accompanying herbicide.

Many farmers, struggling with weeds that are increasingly less responsive to other herbicidal treatments, opted to go the illegal route and use older formulations of dicamba that had high drift potential. This led to the EPA receiving an unprecedented number of complaints this summer from farmers whose crops were damaged when their neighbors' dicamba drifted onto their fields.

In one instance, a dispute over crop damage in Arkansas led to a farmer shooting and killing another, according to top EPA pesticide regulator Jack Housenger.Late last month, the EPA's enforcement branch opened a criminal investigation in southeastern Missouri into widespread complaints of pesticide misuse there.

Monsanto president Brett Begemann said there is intense demand from farmers for a legal version of dicamba they can use in the coming year's growing season. "We know our farmers are looking forward to the benefits" of the new formulation, he said in a statement.

In its approval of XtendiMax, the EPA also imposed restrictions on how it can be used. For example, spraying the product from an aircraft is prohibited, as is spraying while wind speeds are above 15 miles per hour. The agency also set an expiration date of Nov. 9, 2018, on its approval. This gives the EPA legal authority to revoke Monsanto's license to sell XtendiMax if more problems arise between now and then.

EPA Alleges Air, Waste Violations at Illinois CITGO Plant

Posted November 10, 2016, 03:27 P.M. ET

By Stephen Joyce

The Environmental Protection Agency is asking a federal judge to fine and compel into compliance an Illinois oil refinery whose modifications have allegedly led to increased pollutant discharges under the Clean Air Act and Superfund law (United States v. Citgo Petroleum Corporation and PDV Midwest Refining, LLC, N.D. Ill., complaint 11/10/16).

The Nov. 10 complaint, filed in U.S. District Court for the Northern District of Illinois, claims Citgo Petroleum Corp., owner of a Lemont, Ill., petroleum refinery, and PDV Midwest Refining LLC, the facility's owner, are violating the Clean Air Act and the Comprehensive Environmental Response, Compensation and Liability Act. In 2010, CITGO performed a "major modification" at the refinery which resulted in "significant emissions increases" of nitrogen oxide and other pollutants, the complaint said.

The government seeks court orders to require CITGO to operate the refinery in compliance with the Clean Air Act provisions and order the company to take other appropriate actions to offset the harm to public health and the environment caused by the discharges.

The complaint—signed by John Cruden, the Justice Department's environment and natural resources division assistant attorney general and Annette Lang, division senior counsel—contains 13 claims asserting CAA violations and two alleging CERCLA violations. The government seeks fines of $37,500 for each day the plant violates the CAA and $117,500 for each day it is out of compliance with CERCLA.

How Trump Could Walk Away From Decades of Climate Deals

Posted November 10, 2016, 10:51 A.M. ET

By Joe Ryan and Jessica Shankleman

It took more than two decades for nations around the world to forge an agreement to save the planet from global warming. Within one year, Donald Trump could leave it in tatters.

Trump, who has said climate change is a hoax perpetrated by the Chinese, has vowed to “cancel” the Paris Agreement brought into force this year by more than 190 other countries. While he can’t rip up the entire accord, the real-estate tycoon and reality-television star-turned president elect has several options for pulling the U.S. out.

A withdrawal could have significant consequences. As the richest nation on Earth and the second largest polluter, the U.S.’s role in the Paris accord is critical, helping to secure participation from China, India and others. A withdrawal by Trump would hobble the agreement’s effort to cut fossil-fuel emissions and could leave the U.S. facing grave diplomatic repercussions.

“There would be huge implications for how other countries view the United States,” said Jake Schmidt, director of the international program at the Natural Resources Defense Council, a nonprofit tracking the climate talks. “The world is united behind this agreement.”

Anyone’s Guess

While Trump has made it clear he plans to walk away from Paris, his precise exit strategy remains unclear. “I don’t think that’s been decided,” Myron Ebell, the head of Trump’s Environmental Protection Agency transition team, said in an interview. “Your guess is as good as mine.”

Trump has at least four options. First is to exit the Paris deal, which was signed in December. Yet, the exit clause of the agreement means the U.S would still be bound by it until 2020. Trump must now wait three years to formally submit his intention to withdraw and then another year before the U.S. can exit.

There is a quicker way. Schmidt of the NRDC referred to it as “the nuclear option,” which would allow the U.S. to leave by early 2018. That would entail withdrawing from the United Nations Framework Convention on Climate Change, a treaty that established the entire process.

That deal was unanimously adopted by the U.S. Senate and signed in 1992 by President George H.W. Bush. Trump could pull the U.S. out with one year’s notice, Dan Bodansky, an Arizona State University law professor who studies international environmental agreements, said in an interview.

While faster, that option would raise the diplomatic stakes.

“It will negatively impact his ability to get the co-operation of other world leaders on issues he cares about such as trade and terrorism,” said Alden Meyer, director of strategy at the Union of Concerned Scientists, an advocacy group in Washington. “Climate change has become a geopolitical issue of the top order.”

Marrakech Talks

Trump’s election comes as environment and energy ministries from around the globe gather in Marrakech, Morocco, for two weeks of talks on how to implement the Paris deal.

Their meeting is organized by the United Nations and established by the 1992 framework convention that Bush signed. The Paris deal calls for 197 countries to limit global warming to below 2 degrees Celsius (3.6 degrees Fahrenheit) and work toward net zero greenhouse gas emissions.

While Trump’s victory sent shockwaves through the corridors of the conference center, Salaheddine Mezouar, a Moroccan minister of foreign affairs who is presiding over the meeting in Marrakech, said he was hopeful that the U.S. would not pull out of the accord.

“The climate change question transcends politics and concerns the preservation of our livelihood, dignity and the only planet on which we all live. We are convinced that all Parties will respect their commitments and stay the course in this collective effort,” Mezouar said in a statement.

Senate Option

Trump could dispose of the accord by sending it to the Senate, where it would be dead on arrival in the hands of Republican lawmakers, said Myron Ebell, a director at the Washington-based Competitive Enterprise Institute. When President Barack Obama’s administration negotiated the Paris deal, his envoys avoided structuring it as a traditional treaty, bypassing the need for approval from two-thirds of the U.S. Senate.

“There has been a tradition of shared power in the Constitution,” said Ebell, who has also pushed for the U.S. to stop funding UN Framework Convention on Climate Change. “President Obama has broken that precedent. So it seems to me the Senate can also break the precedent and simply take it up now.”

Finally, Trump could simply ignore the the U.S.’s climate goal under the Paris Agreement. He could kill Obama’s Clean Power Plan. And he could refuse to take any steps to reduce emissions. There is nothing in the agreement that would penalize the U.S. for flouting its commitments.

Yet that, too, could hurt the U.S. diplomatically. Countries are required to report their progress annually to the international community. If the U.S. isn’t making good on its promises, other nations will know.

Obama’s Environmental Legacy Just Went Up in Smoke

Posted November 10, 2016, 7:30 A.M. ET

By Matthew Philips

President Obama’s environmental legacy went up in smoke the minute Donald Trump won.

Obama has spent the past four years pursuing an aggressive regulatory agenda aimed at lowering the nation’s reliance on fossil fuels, boosting green energy, and giving the U.S. a leading role in the global fight against climate change. His hope was to hand off this regulatory framework to Hillary Clinton, who would then spend much of her term following through on it.

That stops cold now. Trump has vowed to reverse course on Obama’s entire slate of environmental policies by rescinding “job-killing” regulations, including rules limiting oil and gas development on federal lands, as well as Obama’s signature climate initiative, the Clean Power Plan (CPP).

Because much of what Obama put in place was done through either regulatory rule-making or executive order, Trump may be able to make good on most of those promises, especially since he will be bolstered by support from congressional Republicans, says Kevin Book, managing director of ClearView Energy Partners.

"We spent much of our time examining how Clinton might expand the existing green agenda," he says. "Now we're looking at what may constrain Trump's attempt to collapse it."

Clean Power Plan

The CPP remains in legal limbo. A coalition of 27 states, led by West Virginia, has challenged the U.S. Environmental Protection Agency's legal authority to implement the plan, which directs states to lower carbon emissions from power plants. Even if the EPA wins, a Trump administration could simply revoke the rules.

And while the agency would remain obligated to lower greenhouse gas emissions under the auspices of the Clean Air Act, a Trump administration would have wide latitude in determining how to fulfill that duty.

The fate of the Paris climate accord is much clearer. Because it's not a treaty and wasn't ratified by the Senate, Trump is under no obligation to follow up on the pledges Obama made.

"You can pretty much burn the Paris agreement," says Jerry Taylor, president of the Niskanen Center, a libertarian think tank in Washington.

Methane Rules

Obama's temporary moratorium on coal production on federal land will likely be overturned by Trump, who may also go after Obama's rules to regulate methane emissions from oil and gas wells.

While U.S. energy-related carbon emissions are down from a peak in 2007, the reductions largely have resulted from market forces such as cheap natural gas, rather than any rule changes. But while those emissions could continue to drop, Trump's pledges to support coal could certainly slow that decline.

Trump will almost certainly spark a backlash from environmental groups, which will do everything they can to defend the climate legacy of Obama, says David Doniger of the Natural Resources Defense Council Action Fund. "Trump will face a wall of opposition from us and the American people."

Thorny Path Ahead as U.S. Companies Prepare for REACH 2018

Posted November 10, 2016, 03:04 P.M. ET

By Pat Rizzuto

U.S. chemical companies preparing for the May 31, 2018 REACH chemical registration deadline should prepare for more thorough dossier checks by the European Chemicals Agency than have previously been carried out, according to a Keller and Heckman attorney. "It will be more difficult to pass the completeness check then it was in 2010 and 2013," said Herb Estreicher, who commutes between the Washington D.C. and Brussels offices of the Keller and Heckman LLP. He spoke during a recent Nov. 2 webinar the law firm hosted. Keller and Heckman's webinar, "What U.S. Companies Need to Know in Preparation for the 2018 REACH Registration Deadline," offered detailed information about the process companies will need to use, pitfalls they may face and responsibilities they'll still have after the deadline passes. Christopher Bell, a Houston-based attorney working for Gr eenberg Traurig, LLP, had a slightly different take on the upcoming registration deadline. "The rules haven't changed for 2018," Bell told Bloomberg BNA. What has changed is that many more small companies with limited resources will be subject to those rules, he said. Both attorneys discussed the EU's registration, evaluation, authorization and restriction of chemicals, or REACH, regulation (EC) No 1907/2006REACH requires that chemicals made in or imported into the European Economic Area in volumes ranging from one to 100 metric tons annually be registered with the European Chemicals Agency by May 31, 2018.

Higher volume chemicals already were registered under the 2010 and 2013 deadlines. The European Economic Area consists of the 28 EU member states along with Iceland, Liechtenstein and Norway.

Unregistered chemicals can't be made or sold in the European Economic Area unless their production or importation volume is less than one metric ton (2,204 pounds).

Rethinking the Business Model

Large chemical manufacturers will already have registered many of their chemicals, Bell said. Their specialty chemicals may need to be registered for REACH 2018, but the process will be familiar to them, he said. The companies that will be dealing with REACH for the first time are the many small and medium-sized businesses that have to register their chemicals, Bell said. Due to limited resources, "some will rethink how they do business in Europe," Bell said.

A U.S. chemical manufacturer that exports a low-volume chemical to Europe may conclude it's better for the importing company to register the substance, Bell said.

Evolving Registration Process

Estreicher said the registration process has evolved as the European Chemicals Agency has gained more experience with dossiers. But, the process will be tougher this time around, he said.

The agency basically used a check-the-box approach to determine if dossiers were completed during the first 2010 and 2013 registration deadlines, Estreicher said. In 2018, however, the agency is expected to closely analyze waiver requests, he said.

Companies submit waivers when they ask to be allowed not to submit certain mandated toxicity, physicochemistry or other data. Reasons for seeking waivers include that the characteristics of the chemical being registered—its lack of solubility for example—would make it impossible to do an acute aquatic toxicity test.

Substance Information Exchange Forums

Under REACH, manufacturers of the same chemical form substance information exchange forums, or SIEFs, to share information, agree upon the classification of the chemical and make other joint decisions. The forums are managed by a lead registrant.

The regulation envisioned that company officials would sit around a room and make decisions together, Estreicher said.

The reality is that companies don't sit down and work through issues; the lead registrant makes the decision, he said. The lead registrant will run its decisions past other forum members, but unless they reply by a certain date, their agreement is presumed, Estreicher said.

Some REACH 2018 forums will have a different characteristic than previous forums for larger volume chemicals did, Bell said.

For previous deadlines, a few large companies with a lot of resources gathered the information they needed from their supply chains, he said. “That takes a lot of horse power.”

Small companies will have a harder time identifying all the planned uses customers for the chemical the manufacturer makes, Bell said.

Tips Estreicher offered include:

• know the lead registrant’s credentials or doublecheck whether the company has identified itself with the European Chemicals Agency

• doublecheck the “substance identity profile” the lead registrant sends forum members to be sure it covers the chemical you are registering

• be prepared to pay anywhere from a few thousand euros to tens of thousands of euros to access toxicity or other data needed for registration

“There’s no cheap solution here,"Estreicher said.

Post-2018 Obligations

Chemical manufacturers’ REACH obligations will continue beyond 2018, Estreicher and Bell said.

That means U.S.-based companies, which like all non-European companies must use entities called Only Representatives (ORs) to register their chemicals, will have to maintain their contractual obligation with that representative, Estreicher said.

“You’ve got to make sure your OR doesn’t plan to pull coverage after 2018,” he said.

Ongoing REACH responsibilities include notifying the European Chemicals Agency to update registration dossiers if companies are bought out or merge or if a chemical’s production volume changes.

Compliance is an ongoing obligation that should be built into day-to-day business practices, Bell said.

The essential obligation is the same whether a company does business in the U.S., Europe or Korea, he said. “You have to know what chemicals you make, export and import. Know where they end up, and know where your markets are.”

“None of this is as complicated as running a business,” Bell said.

Wash Clothes Cold: Save Energy, Cut Toxics, Companies Say

Posted November 10, 2016, 7:19 A.M. ET

By Pat Rizzuto

Cleaning product companies can cut carbon dioxide emissions by designing laundry detergents that work in cold water, a top Seventh Generation company official said Nov. 9.

"We can't change consumer behavior, but we can develop cold water detergents to reduce energy consumption," Chantal Bergeron, who oversees liquid formulation development for the company, said at the Cleaning Products US 2016 conference.

Many detergents already work well in cold, warm and hot water, but there's room for innovation in the cold-water arena, Brian Sansoni, vice president of sustainability initiatives at the American Cleaning Institute, told Bloomberg BNA.

Kristoffer Friis Gleberg, senior marketing director for household care at Novozymes, said use of cold water helps consumers in two ways: cooler water is both gentler on clothing fabrics and saves energy, he said. Both benefits are examples of concrete information companies can use to engage directly with consumers through the burgeoning number of social media forums, Gleberg said.

Bergeron said there were 125 million households in the U.S. in 2015. On average, those households did five loads of laundry a week with 55 percent using hot or warm water.

Cutting Carbon Dioxide

If they increased their use of cold water by just one load of laundry a week, that would save 29 billion kilowatt hours and cut carbon dioxide emissions by 20 million metric tons, said Bergeron, citing information from the Sustainability Consortium.

That reduction is the equivalent of 4.3 million cars being taken off the road or stopping emissions from five coal-fired power plants, she said.

Detergents that are made with multiple enzymes—proteins that act as catalysts breaking down dirt, grease and other materials—can produce cleaner clothes in cold water than do non-enzyme based detergents in warmer water, Bergeron said.

Enzyme-based detergents also can be made with far fewer chemicals, reducing their potential to harm aquatic life, she said.

Young Consumers

Sansoni said the American Cleaning Institute is trying to boost consumer awareness of the benefits of cold water washing through a "Cold Water Saves" campaign it and the Sustainability Consortium launched Nov. 9 on the campus of North Carolina State University in Raleigh, N.C.

The consortium includes companies such as BASF, the Procter & Gamble Co., Wal-Mart Stores, Inc. along with organizations such as the Environmental Defense Fund, Green Seal and World Wildlife Fund.

Young people are eager to learn about ways they can help the environment, he said. They also are current and future consumers, Sansoni said.

The institute developed the campaign following research it sponsored in 2015 that 57 percent of college students had not previously heard about the benefits of cold water washing. Yet after learning of its benefits, 63 percent of the students said they would be somewhat or much more likely to launder using cold water in the future, according the cleaning institute.

Other Energy Savings Strategies

Developing detergents that work in cold water is but one approach Seventh Generation is using to reduce energy, Bergeron said. Others include:

• using cold manufacturing processes when possible to make its products and buying renewable energy credits when cold processes can't be used;

• using bioased ingredients;

• packaging its products with recycled plastics; and

• manufacturing its products close to where they will be sold.

What to Watch in Oil When Trump Moves into the White House

Posted November 10, 2016, 02:28 P.M. ET

By Julian Lee

Some U.S. oil policies are likely to shift significantly when Donald Trump assumes the presidency next year. While details remain sketchy, he's highlighted a number of areas where he differs significantly from current policy.

Relations with the Middle East and OPEC

Trump has been critical of both Saudi Arabia and Iran during the campaign. He said that he was not a "big fan" of the Saudi government in a 2015 appearance on NBC's "Meet the Press" and told The New York Times in March that he might stop buying oil from Saudi Arabia and other Arab countries unless they committed ground troops to combat Islamic State or reimbursed the U.S. for its efforts.

Trump also is opposed to the nuclear deal with Iran that unlocked the country's oil exports. He said in a speech to the American Israel Public Affairs Committee in Washington in March that his "No. 1 priority is to dismantle the disastrous deal with Iran." While tearing apart the accord is "technically possible," it is "extremely unlikely" that the other world powers that negotiated with Iran alongside the U.S.—China, France, Russia, the U.K. and Germany—"would follow our lead," U.S. Energy Secretary Ernest Moniz said in April.

Speaking at the Williston Basin Petroleum Conference in Bismarck, N.D., in May, Trump also promised independence from the Organization of Petroleum Exporting Countries, although he didn't elaborate on how that would be achieved.

Keystone Boost

At a press conference prior to the North Dakota event, he said he would approve TransCanada Corp.'s proposed Keystone XL oil pipeline, in return for the people of the U.S. being given "a piece, a significant piece of the profits."

Trump has also pledged to renegotiate or terminate the North American Free Trade Agreement, which limits the cases in which Canada can restrict energy exports to its southern neighbor. Ending that agreement could leave the U.S. more open to disruptions to supplies from Canada, although this seems unlikely given the country's lack of alternative export options.

Support for U.S. oil

At the same North Dakota news conference , the president-elect said he would remove any restrictions on U.S. energy exports and that he would support hydraulic fracturing, although he didn't elaborate on either.

Trump's victory will support U.S. oil and gas production, with less regulation on exploration and a lifting of drilling restrictions in certain locations, Goldman Sachs Group Inc. analysts including Damien Courvalin and Jeffrey Currie said in a Nov. 9 report.

His support for the U.S. shale oil and gas industry has not been unequivocal, though. Trump had earlier caused concern among energy executives in Colorado when he said in July he supported letting local residents vote on fracking bans. In a statement after a meeting with oil executives in Denver last month, Trump's campaign said he supports "safe hydraulic fracturing" and "energy production on federal lands in appropriate areas."

"America is sitting on a treasure trove of untapped energy—some $50 trillion dollars in shale energy, oil reserves and natural gas on federal lands, in addition to hundreds of years of coal energy reserves," Trump said during a keynote speech at the Shale Insight conference in Pittsburgh, a summit of natural gas producers. "I am going to lift the restrictions on American energy and allow this wealth to pour into our communities."

Wider Policies

Trump said he would open federal lands for oil and gas production, and free up offshore areas to energy development.

The biggest impact on crude markets may not come from Trump's oil policies at all given the importance of decisions that influence wider economic development, trade, and international relations.

He pledged during his victory speech Nov. 9 to double economic growth during his tenure. That would imply annual expansion of 3 percent, a level last exceeded in 2005.

Against that, he's questioned climate-change science and vowed to withdraw from the Paris agreement to limit global warming—measures that would potentially redefine the nature of global energy consumption if coal returns as a growth fuel for power generation.

Lastly, observers including UBS AG and Nordea are now considering whether the U.S. will become more protectionist. Before the vote, Trump said China was a "grand master" at currency manipulation and was stealing American jobs. He threatened punitive tariffs of up to 45 percent on the country's imports.

—With assistance from Brian Wingfield.

Biggest Energy Users Welcome Trump as Boon to Buyers' Market

Posted November 10, 2016, 9:33 A.M. ET

By Heesu Lee

The world's biggest energy consuming region is banking on a Donald Trump presidency to keep the good times rolling when it comes to oil and gas.

Buyers in Japan, South Korea, India and China--which have already started importing limited volumes of U.S. crude and are set to become large buyers of liquefied natural gas--see Trump's support for petroleum exploration and production translating into an administration that could raise the country's output and shipments overseas. That higher supply, and possible lower prices, may further strengthen buyers already benefiting from cheaper crude caused by a global glut.

"There is a higher chance that we will see more energy exports from the U.S. as Trump is expected to ease regulations to boost energy production," said Yoo Haksik, an associate research fellow at Korea Energy Economics Institutes's regional energy division. "The U.S. will try to take the lead in the global energy market."

Asia has been one of the biggest beneficiaries of the crash in oil and natural gas prices as it accounts for roughly one-third of global consumption. The region's choice of supply is set to widen as the U.S. exports more after production rocketed in recent years thanks to new drilling technologies. The ensuing glut forced an easing of restrictions on selling crude overseas and convinced companies to build gas export facilities.

U.S. crude exports hit a record 692,000 barrels a day in September, according to Bloomberg calculations based on U.S. Census Bureau data. Other than Asia, U.S. crude has ended up in countries including France, Germany, the Netherlands, Israel and Panama after a 40-year ban on exports was lifted last year.

The president-elect said he would remove any restrictions on U.S. energy exports and support hydraulic fracturing, the controversial production technology behind the recent output boom. Trump has also said he would open federal lands for drilling, and free up offshore areas to energy development.

His ultimate impact on the energy industry may be limited by an energy price crash that has halved oil and gas prices and caused companies to slash drilling activity by 70 percent across the U.S.

Economic Incentive Needed

Trump may ease regulations and policies, but companies won't respond unless there is an economic incentive, said Lee Kiho, director at the Center for Gas Economics Management at state-owned Korea Gas Corp.

"It's up to the market players really, because these producers are private firms, trying to maximize profits," Lee said. "If low oil prices persist and profitability isn't promised, producers won't boost output."

Longer term, a Trump presidency may be bearish for oil prices as support for shale investment and fossil fuel exports pushes more U.S. supply onto the market, said Wang Pei, a trading analyst at Unipec, the trading arm of the word's largest refiner, China Petroleum & Chemical Corp.

'Permissive' Policies

Meanwhile, the U.S. exported its first LNG cargo from shale gas in February from Cheniere Energy Inc.'s Sabine Pass terminal.

The nation's Energy Department has requests in hand for projects to export more than 53 billion cubic feet of LNG a day, and has approved 15.2 billion. Five terminals are already under construction with the next opening--by Dominion Resources Inc. in Maryland--set for the end of 2017.

Projects that have not already received a green light will likely have an easier path to regulatory approval under Trump, said Maggie Kuang, a Singapore-based gas analyst for Bloomberg New Energy Finance. Those projects would still need to finance the massive capital investments, a high hurdle to clear in a world where buyers have ample supply choices.

Trump is unlikely to revoke LNG export licenses issued to nations without a free-trade deal with the U.S., said Didik Sasongko Widi, vice president for LNG at Indonesia's state-owned Pertamina Persero PT.

Charif Souki, the founder and former chief executive of Cheniere and the chairman of Tellurian Investments Inc., a new company seeking to ship U.S. LNG, said Trump will be beneficial to U.S. exporters of the fuel.

"I don't see him getting in the way of business," Souki told reporters in Paris. "He wants regulatory blocks to be removed and he is in favor of production, in that respect that will be beneficial."

The U.S. is the biggest producer of natural gas and is on its way to become the third-biggest supplier of LNG by 2020.

Cheniere's initial LNG volumes have already reached 2 million tons and have sailed to buyers from South America to the Middle East, Eric Bensaude, managing director for LNG trading and marketing at Cheniere, said at a conference in Paris. The country is set to become the largest supplier in the Atlantic Ocean basin, he said.

"We're essentially the Saudi Arabia of natural gas," Rob Thummel, managing director and portfolio manager at Tortoise Capital Advisors LLC in Leawood, Kan., said by phone on Nov. 9. "We need to continue to use LNG and the opportunities for all of the low-cost supply that we have, to basically use it to improve our trade imbalance."

With assistance from Stephen Stapczynski, Sarah Chen, Ben Sharples, Anna Shiryaevskaya and Lynn Doan.

Dakota Pipeline to Be Operating by Spring, Company Says

Posted November 10, 2016, 01:49 P.M. ET

By Tim Loh

Energy Transfer Partners LP reiterated that its Dakota Access oil pipeline will be up and running by the spring of 2017 following Donald Trump's surprise victory in Tuesday's presidential election.

Construction is nearly complete in North Dakota where the pipeline giant is waiting for an easement from the U.S. Army Corps of Engineers to drill a final portion of the project beneath Lake Oahe, company officials said on a third-quarter earnings call Nov. 10. Once it receives the easement, Energy Transfer can begin a three-to-four month drilling program that will precede the start of commercial operations in the first quarter.

"It's only going to get better," Kelcy Warren, chief executive officer of Energy Transfer Partners, said regarding the future of Dakota Access and other projects following Trump's win. "We find ourselves in a good position."

Energy Transfer Partners is at the center of a battle over new pipelines proposed across the U.S. with its $3.8 billion, 1,172-mile Dakota Access line. The project has become a rallying point for the anti-fossil fuel movement and has faced opposition from Native Americans who say it'll damage culturally significant sites.

Energy Transfer's under no legal obligation to stop construction and hasn't voluntarily agreed to do so, the officials said. It has completed 84 percent of the project and is pushing ahead with construction wherever it's permitted, including in Iowa.

Canada to Ban Microbeads in Certain Products Starting in 2018

Posted November 10, 2016, 02:25 P.M. ET

By Peter Menyasz

Canada will ban commercial products containing plastic microbeads in 2018, it announced, joining the U.S. and others concerned about environmental impacts of the tiny particles, which are often used in toothpaste and bath products.

The Microbeads in Toiletries Regulations will phase in a ban on plastic particles 5 millimeters in size or less in any exfoliating or cleansing toiletries, as well as in nonprescription drugs and natural health products, the government said Nov. 4.

"Although voluntary actions have been taken by industry to phase out the use of plastic microbeads in toiletries, there is a risk of reintroduction or continued import of toiletries that contain plastic microbeads," it said.

Plastic microbeads are often added to scrubs, bath products and facial cleansers as an exfoliant or to aid in cleaning, and can be too small to be caught in wastewater treatment plant filters.

They have been found widely in Canadian waters, including in coastal British Columbia, the Great Lakes, the St. Lawrence River and coastal Atlantic Canada and on the shores of Lake Huron, Lake Erie and Lake St. Clair. Microbeads have been shown to have short- and long-term adverse effects on fish, mussels and other aquatic organisms.

Ban Had Been Expected

The regulations, which are supported by manufacturers, are open to public comment through Jan. 19, 2017. They will not apply to prescription drugs, or to products that are in transit through Canada.

The announcement of a ban had been expected. The Canadian Parliament voted unanimously on March 24, 2015, to designate microbeads as toxic substances, and the designation was finalized in June 2016.

The manufacture or importation of exfoliating or cleansing toiletries containing microbeads will be prohibited effective Jan. 1, 2018, and sale of those products will be banned on July 1, 2018.

The ban will extend to the manufacture or import of nonprescription drugs and natural health products on July 1, 2018, and sale of those products will be banned on July 1, 2019.

The timing roughly aligns Canada's ban with one that begins in July 2017 in the U.S., to minimize concerns that Canada could become a "dumping ground" for toiletries containing microbeads manufactured in the U.S., the government said.

At least nine U.S. states already have independently passed microbead bans, as have several countries.

Industry Welcomes Regulations

"Industry fully supports and, in fact, advocated for this federal legislative approach to help align with other jurisdictions, as well as ensure a level playing field and compliant marketplace," Darren Praznik, president of the Canadian Cosmetic, Toiletry and Fragrance Association, told Bloomberg BNA in an e-mail.

The association represents manufacturers including Amway, Avon Canada Inc., Chanel Inc., Clarins Canada Inc., Coty Canada Inc., Elizabeth Arden (Canada) Ltd., Johnson & Johnson Inc., Mary Kay Cosmetics Ltd., Procter & Gamble Inc., Revlon Canada Inc. and Unilever Canada.

Environmental Defence lauded the move.

"We are happy to finally say goodbye to these problematic plastic particles that have polluted Canada's rivers and lakes for far too long," Maggie MacDonald, manager of the Toronto-based environmental group's toxics program, said in a statement.

A 2014 survey by Environment and Climate Change Canada found 37 Canadian companies importing toiletries containing microbeads, seven companies manufacturing such products in Canada, and two companies doing both.

Trump May 'Dig' Coal, but Industry's Outlook Is Flat at Best

Posted November 10, 2016, 11:03 A.M. ET

By Tim Loh

He can roll back regulations, slash government jobs, pull out of global treaties and strip the tax benefits from renewable energy. But can Donald Trump make coal great again?

Probably not, say energy industry leaders and analysts.

Coal's share of the U.S. electricity mix has plunged to less than a third today from about half in 2008, the result of cheap natural gas and stepped-up efforts to curb carbon emissions. While Trump, promising to restore jobs, drew boisterous crowds in mining country under slogans such as "Trump Digs Coal," his best efforts may do little more than halt the industry's steep decline.

"Donald Trump has the courage, the passion and the commitment to get it done," said Robert E. Murray, the industry's most outspoken champion and chief executive officer of Murray Energy Corp. "But I do not see an increase in the market for coal."

In May, Murray endorsed Trump after meeting the then-candidate in New York. At the time, Murray said Trump cares "very much" about coal miners and coal-mining jobs. On Nov. 9, Murray said that "nobody" worked harder to make Trump president than he did, adding, "and we're not done yet."

Now Murray said he's positioning his company, the country's largest privately held coal miner, to compete in a U.S. market in which power plants consistently burn about 650 million to 700 million tons of thermal coal a year. That'll be enough to keep coal's share in the power mix stable, he said in an interview.

Maintaining that level, though, will take extra effort by Trump, Murray said. For starters, he wants the president-elect to roll back three big pieces of Washington regulation.

This includes the Interior Department's Stream Protection Rule, which opponents say strands tens of billions of dollars' worth of coal in the ground; the Environmental Protection Agency's Clean Power Plan, which calls for power companies to lower greenhouse gas emissions; and the Interior Department's moratorium on new federal coal leases.

That's a tough lineup, says Rob Barnett, a Bloomberg Intelligence analyst.

"Taking many of Obama's coal regulations off the books would require a rewrite of the Clean Air Act, and there will be big legislative hurdles to achieving that," Barnett said. Sixty votes are needed in the Senate unless the majority decides to "go nuclear" and end current rules on filibusters, he said.

Republicans "will certainly try hard to undo some of Obama's energy rules," Barnett said. Then, "we'll see how good Senate Democrats are at protecting certain policies that are near and dear to them."

Beyond those steps, Murray wants President Trump to enact massive job-cutting in Washington. He would eliminate the Department of Energy, a Cabinet-level agency founded in 1977, and trim by roughly half some of the other regulators overseeing his industry. That includes the Environmental Protection Agency, the Departments of Interior and Labor, and the Mine Safety and Health Administration, he said.

Finally, the U.S. must pull out of any global agreements to limit climate change, Murray said, adding, "so-called global warming is a total hoax."

Even if all that occurs, coal's future remains daunting in the face of cheap natural gas and ever-cheaper solar and wind power, said Nick Akins, the CEO of American Electric Power Co., which owns utilities from Texas to Ohio and is one of the biggest U.S. coal burners.

Trump's support doesn't alleviate investor concerns about utilities that own coal-fired plants, according to Akins. "There's recognition that we need to invest to continue to balance out our portfolio" beyond coal, he said by phone. "You don't want to be married to any single fuel. You want to be balanced."

Main Barrier

It's that push for balance, analysts say, that's the main barrier to coal's resurgence.

"While coal had a very tough go during the Obama administration, a lot of that is due to natural gas and it's unlikely that anything that Trump does will dramatically increase natural gas prices," said Ted O'Brien, who recently stepped down as Chief Executive Officer of Doyle Trading Consultants LLC.

Trump himself has supported the benefits of both coal and natural gas. And he's raised the prospect that his energy secretary might be Harold Hamm, the founder and CEO of shale explorer Continental Resources, and a pioneer of the fracking boom key to low gas prices.

Hamm's take: "We need both," he said in an interview on Nov. 9.

"We're essentially the Saudi Arabia of natural gas," said Rob Thummel, managing director and portfolio manager at Tortoise Capital Advisors LLC in Leawood, Kansas. "Will the energy renaissance continue? Will fracking continue? I think the answer is a resounding yes."

Two-Fold Solution

What's more, wind and solar operating costs have been falling even without government subsidies, Thummel added. "The most practical solution right now is two-fold: continue to use more and more low-cost natural gas as well as the continued research and development of renewable energy," he said.

For his part, Murray acknowledges that gas will stay a formidable rival. While he sees U.S. thermal coal production remaining steady under Trump, he thinks his own operations will grow to about 100 million tons from 73 million tons. That suggests he will take market share from others with higher production costs.

For now, Murray's hailing the arrival of President Trump as a "repudiation" of President Obama, the "liberal elitists on Wall Street and in Hollywood" and "radical environmental industries, such as the makers of costly windmills and solar panels."

In recent months, Murray joined the Evangelical church. He was dwelling on that change while he was watching the election results in the early Nov. 9. He was sitting in his Ohio home, he said, reflecting on his family, his workers and Biblical figures.

"God picked the most imperfect people on the planet to carry out his will," Murray said Nov. 9. "If you want to pick an imperfect guy to carry out God's will, who better than Donald Trump?"

Trump's Coal Stance May Ease Pressure on Japan Over Climate

Posted November 10, 2016, 8:53 A.M. ET

By Chisaki Watanabe and Stephen Stapczynski

Donald Trump's surprise election victory and his earlier pledge to increase coal production stand to relieve pressure on Japan as it seeks alternatives to nuclear energy in the wake of the Fukushima disaster more than five years ago.

"Trump's commitment to coal and oil and gas communities across the U.S. was an important ingredient in his electoral success on Tuesday and I think this may enable Japan and other large developing countries to procrastinate in their emissions-reduction commitments," Tom O'Sullivan, founder of Tokyo-based energy consultant Mathyos, said by e-mail.

Trump has called climate change a hoax perpetrated by China, vowed to withdraw from the Paris Agreement on global warming and pledged to increase production of coal, the dirtiest fossil fuel.

Should a Trump administration reject the Paris agreement, the Japanese government may feel "less pressure" to commit to emissions cuts and to end coal-expansion plans, Kendra Ulrich, an energy campaigner at Greenpeace Japan, said by e-mail.

Japan's reliance on coal, particularly since Fukushima, has exposed it to criticism from outside the country that it's not doing enough to combat global warming. Japan's financing of coal projects in other countries is also a point of contention.

Japan has plans for 48 new coal units for power generation with a combined capacity of 23 gigawatts, according to data compiled by Kiko Network, a Kyoto-based environmental group.

"Japan is at a turning point," Shin Furuno, a Japan divestment campaigner for 350.org, said by e-mail. "The people of Japan must decide whether we will continue to rely on polluting fossil fuel energy imported from overseas" or "lead the transition to a renewable energy society with the rest of the world."

"Trump's support for coal is bullish for the global coal industry and coal prices," David Fang, a director with the China Coal Transport and Distribution Association, said by phone from Beijing. "If he will encourage more use of coal as he said before, I think coal miners in Australia and Indonesia will benefit the most."

Japan and China lent more than $35 billion to finance coal power in the eight years through the end of 2014, according to a study released last year by several environmental groups.

Japan provided more than $20 billion, followed by $15 billion from China, according to the joint study by the Natural Resources Defense Council, Oil Change International and the World Wide Fund for Nature released in June 2015.

Coal Financing

"This government financing for coal--largely in the form of export support, but also as development aid and general finance--is perpetuating coal use and exacerbating climate change," the groups said at the time. "It needs to stop, immediately."

At home, Japan's major utilities are planning to build more coal-fired power plants to make up for lost nuclear capacity. And while the government has supported renewables with incentives such as feed-in-tariffs, the new clean energy capacity isn't enough.

In a report released almost a year ago, Japan ranked among the worst performers in an index comparing the emissions of 58 countries and measures to protect the climate, far below other major emitters like the U.S. and India.

Japan came in 58th, just above Australia, according to the report by Germanwatch and Climate Action Network Europe. Denmark topped the list, though it ranks only fourth since the first three spots were left open, according to the report.

Environmental groups have criticized Japan's pledge to cut greenhouse gas emissions by 26 percent by 2030 from 2013 levels as weak.

Still, one positive sign is that the Japanese government ratified the Paris agreement and the country now has the responsibility to adhere to its commitments, 350.org's Furuno said.

With assistance from Jing Yang.

Icahn-Backed Bid to Shift Biofuel Burdens Rejected by EPA

Posted November 10, 2016, 02:07 P.M. ET

By Jennifer A. Dlouhy and Mario Parker

Billionaire investor Carl Icahn and Valero Energy Corp. suffered a setback Nov. 10 as the Obama administration rejected a bid to shed the burden of satisfying U.S. biofuel mandates.

The Environmental Protection Agency proposed denying the request Nov. 10 saying that shifting compliance responsibility for fulfilling the annual quotas to blenders would inject too much uncertainty into an 11-year-old program designed to force more renewable fuel into the U.S. gasoline and diesel supply.

Although the agency is opening a public comment period on the issue, the EPA's proposed rejection creates a higher obstacle for the independent refiners that had told the White House some facilities could shut down without the policy change. It also makes it harder for President-elect Donald Trump's administration to change course.

Under current law, refiners and importers are obligated to meet annual quotas for using biodiesel and traditional renewable fuel. Refiners are affected unevenly by the mandates. Those that do not have infrastructure to blend in the biofuels themselves must buy credits known as "renewable identification numbers" to comply.

Climbing RIN prices threaten some refiners with losses, and have prompted Icahn, who controls refiner CVR Energy Inc., to complain that the market for those credits is "rigged."

Blasted by Icahn

Icahn blasted the arrangement on Bloomberg TV on Nov. 9, suggesting that regulatory decisions by EPA staff in Ann Arbor, Mich., could translate into bankruptcies for some refiners.

“The EPA was literally making some decision with some guys up in Ann Arbor deciding which refineries are going to go bankrupt, just deciding, and I don’t think they meant to,” Icahn said.

Renewable identification numbers tracking 2016 compliance for ethanol blending traded at about 83 cents apiece, according to StarFuels Inc., a Jupiter, Fla.-based brokerage. They have more than doubled in the past year.

Refiners arguing for the change have pointed to the recent struggles of Philadelphia Energy Solutions Inc., which cut jobs and dropped a planned initial public offering, citing financial pressures including $250 million of RINs expenses for 2016. But refiners are up against strong market headwinds, including narrow margins, even without the obligation to buy RINs.

San Antonio-based Valero, and two other refiners—HollyFrontier Corp. and Delta Air Lines Inc.’s Monroe Energy LLC—along with two industry trade groups had formally asked the EPA to shift the obligation away from refiners and importers so that it fell to blenders and other entities further along in the nation’s fuel distribution system. They argued the shift would align the burden for meeting the biofuel quotas with the blenders and fuel distributors that are best positioned to make decisions about how much renewable fuel is used. The change could drive more biofuels into the marketplace, they said.

50-Page Filing

The EPA was not convinced. “The current structure of the RFS program is working to incentivize the production, distribution and use of renewable transportation fuels in the United States,” the agency said in its 50-page filing.

While the EPA conceded that there are challenges with the program—including getting more next-generation advanced biofuels into the market—the agency said changing the point of obligation would not help overcome those obstacles and would only create new ones: “Changing the point of obligation could also disrupt investments reasonably made by participants in the fuels industry in reliance on the regulatory structure the agency established in 2007 and confirmed in 2010.“

The American Petroleum Institute and some refiners have argued against the shift, casting it as a distraction from bigger efforts to overhaul the entire renewable fuel standard.

Stephen Brown, vice president and counsel of Tesoro Corp., which opposed the change, said EPA was making “the correct decision.” “Tesoro hopes that with this distraction set aside that interested stakeholders can now focus on the more important task at hand—comprehensive RFS reform,” Brown said by e-mail.

—With assistance from Susan Decker.

U.K. Utilities, Factories Spar Over Possible Carbon Tax Cut

Posted November 10, 2016, 8:25 A.M. ET

By Rachel Morison

Some of the U.K.'s biggest utilities are at odds with energy-intensive companies amid expectations that the government may announce changes in December to the nation's carbon tax.

Power generators with coal-fed stations, including Perth, Scotland-based SSE Plc and Drax Plc, argue the levy should stay unchanged through to 2021 as under current policy to ensure stability. That comes as the steel and paper industries and representatives for Aldi Stores Ltd. and Associated British Foods Plc push for the measure to be scrapped as their European peers aren't burdened by a similar tax.

Coal and gas generators have to pay a supplement to European emissions permits to reach a minimum level, increasing costs for energy users. Former Chancellor George Osborne froze in 2014 the so-called carbon floor, meant to discourage the use of fossil fuel-fired power, spur emission cuts and encourage investment in green energy.

The charge adds 10 pounds ($12) a megawatt-hour to the price of power and increases the cost of manufacturing processes, Jeremy Nicholson, director of the energy intensive users group, told a parliamentary committee on Nov. 8. That compares with a benchmark month-ahead price of 72 pounds a megawatt-hour on Nov. 9, up 87 percent from a year earlier, according to broker data compiled by Bloomberg.

'Worrying' Rumors

There are "worrying" rumors that the government "could kill the carbon price support in the Autumn Statement as a way to prove the U.K. is open for business," according to Dave Jones, an analyst at Sandbag, an environmental lobby group in London. That move would "ditch its climate leadership, to be seen to be doing something to attract heavy industry back to the U.K."

Chancellor Philip Hammond will present the government's tax and spending plans in his Autumn Statement on Nov. 23. The treasury declined to comment further on its plans.

40 Percent

For Britain's steel industry, energy prices make up as much much as 40 percent of their costs, said Richard Warren, an energy and environment policy adviser at lobby group U.K. Steel. Progress on helping an industry hit by plant closures in Britain has "stalled" with the new government, he said.

"For energy-intensive users energy prices are amongst the highest in Europe," Nicholson told the Economics Committee in the House of Lords. While there are some exemptions for industries that use large amounts of electricity, these are limited by European state aid rules, he said.

The floor price is achieved by adding a price to the cost of EU allowances to make a total of 18 pounds a ton.

'Needs Stability'

"The market needs stability and as an investor in existing generation assets and new assets we need a scheme that isn't tinkered with," Martin Pibworth, managing director of wholesale at SSE Plc, said Nov. 8. The company reaffirmed its support for the carbon floor price beyond 2021 in an earnings statement Nov. 9.

Drax Plc, which owns a power station that burns both coal and biomass to provide 8 percent of the U.K.'s electricity, wrote to Hammond in September to pledge its support for the carbon floor price at least until 2025, when existing coal stations will have to cut emissions or close.

Trump Can't Undo Nuclear Deal, Iran's President Rouhani Says

Posted November 10, 2016, 7:46 A.M. ET

By Ladane Nasseri and Golnar Motevalli

Donald Trump won't be able to undo world powers' nuclear deal with Iran, Iranian President Hassan Rouhani said, hours after the U.S. businessman was elected president.

The 2015 accord, signed between Iran and six powers including the U.S., "cannot be overturned by one government's decision," Rouhani told his cabinet on Nov. 9, according to the official Islamic Republic News Agency. Trump told a pro-Israel lobbying group in the U.S. in March that "my number one priority is to dismantle the disastrous deal with Iran."

The pact, which brought the lifting of key economic sanctions in January, has allowed one of the world's last major untapped frontier markets to open its doors to international companies as the Iranian government seeks to attract foreign investment and new technologies.

On Nov. 9, the International Atomic Energy Agency said Iran has continued living up to its side of the nuclear bargain.

Rouhani said Trump's victory won't be able to stop Iran's economic growth.

The Islamic Republic's "policies of engagement with the world and the breaking of nuclear sanctions have put Iran's relations with other countries on an irreversible path of growth," Rouhani said.

'Realities of Today's World'

Foreign Minister Mohammad Javad Zarif, Iran's lead negotiator in the accord, said the president-elect "must fully understand the realities of today's world."

"Considering that Iran and the U.S. don't have formal political relations, what's important is that the future U.S. president complies to the commitments of the multilateral nuclear deal," Zarif told a news conference in Romania.

"The markets in Iran were generally expecting Mrs. Clinton to win and this has had an impact on pretty much all sectors in the stock exchange. Oil has come down, gold has gone up by $5," said Masoud Gholampour, an analyst at Novin Investment Bank in Tehran. "The market is showing a negative reaction in general because the nuclear deal could be affected."

Iran's currency depreciated to 36,600 per dollar in unregulated trading at 1 p.m. in Tehran from 36,310 on the morning of Nov. 8.

"It's a strange and extraordinary shock for global markets but especially for Iran," Khosrow Abdi, a currency trader in downtown Tehran, said by phone. “Our economy is weak, when something like this happens, people just start buying, no one is selling.”

With assistance from Jonathan Tirone.

Beijing Residents Told to Limit Outdoor Activity as Smog Returns

Posted November 10, 2016, 8:03 A.M. ET

By Bloomberg News

Beijing warned its 20 million residents to limit outdoor activities to avoid the ill effects of heavy pollution blanketing the city.

The warning comes as a thin layer of gray haze settled over the city in China’s north and serves as a reminder of conditions almost a year ago that forced children home from school and saw municipal officials limit factory output. Beijing’s municipal government issued its first-ever red pollution alert on Dec. 7 last year as acrid-smelling haze cloaked the city.

On Nov. 10, concentrations of PM2.5--the particles that pose the greatest health risks--stood at 201 micrograms per cubic meter near Beijing’s Tiananmen Square as of 3 p.m. local time, according to the city’s municipal air-monitoring website. The World Health Organization recommends PM2.5 exposure of no more than 25 over a 24-hour period.

Beijing’s frequent bouts of smog have forced the government to take tougher action to avoid any social unrest sparked by frustration over the city’s fouled and polluted air.

Beijing phased out coal-fired heating facilities in 75,000 households during the first 10 months of the year, cutting consumption of the fuel by 225,000 metric tons, Xinhua News Agency reported on Nov. 9, citing the city’s Environmental Protection Bureau.

Other Cities Affected

Beijing isn’t the only city suffering. Air pollution levels in the neighboring cities of Baoding and Shijiazhuang in Hebei province are at medium, data from the China National Environment Monitoring Center showed.

Vehicle emissions are the major source of pollution in the capital, the Ministry of Environmental Protection said in a Nov. 5 statement.

The ministry said it has dispatched 12 inspection groups to carry out checks on what major areas, including Beijing, Tianjin, Hebei, Shandong, Heilongjiang and Jilin, are doing to tackle heavy pollution.

Sweden Wants Mandatory ‘Green Labels’ at Fuel Pumps

Posted November 10, 2016, 03:25 P.M. ET

By Marcus Hoy

Sweden's Ministry of the Environment and Energy is advocating new rules that would require fuel suppliers to provide point-of-sale information to consumers on a fuel's environmental impact.

The rules would give consumers more knowledge about their purchases while "requiring environmental efforts made by fuel suppliers to be visible," the ministry said Nov. 8.

Currently, suppliers of both fossil fuels and renewable fuels must report to the Swedish Energy Agency on the composition and environmental impact of their products, but that information is not available at the fuel pump, Environment Ministry official Hanna Bjornfors told Bloomberg BNA in a statement Nov. 11.

The agency compiles annual data that consumers can access.

Such reporting is required under the EU's Fuel Quality Directive (98/70/EC) and Renewable Energy Directive (09/28/EC), both of which are implemented in Swedish law.

But suppliers are not required to specify which raw materials are present in their fuel, according to Bjornfors.

"Emissions from fossil fuels can vary significantly based on the raw material and other factors," Bjornfors said. "For example, diesel from conventional crude has a lower greenhouse gas intensity than diesel from oil shale."

The ministry hoped to present a legal proposal next year to implement the plan, Bjornfors said.

Higher Prices?

Industry groups are not opposed to providing information to consumers at fuel stations, but implementing such a system could be problematic, Swedish Petroleum & Biofuels Institute Managing Director Ulf Svahn told Bloomberg BNA.

Under discussion, he said, was not only an obligation to provide information on a fuel's environmental impact, but also information on its source. That would give consumers the right not to buy Russian oil, for example.

And implementing point-of-sale requirements could entail additional costs for suppliers, which in turn could lead to higher fuel prices, Svahn said.